GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5169
ANSWERED ON:11.05.2007
ADB LOAN
Lagadapati Shri Rajagopal

Will the Minister of FINANCE be pleased to state:

(a) whether the Government is in process to have Rs. 4,500 crore from the Asian Development Bank to strengthen the rural credit structure and for bringing reforms in the co-operative sector;

(b) if so, whether Andhra Pradesh is one of the States which is going to be benefited from the above amount;

(c) if so, whether any plans have been prepared by this Ministry for State-specific programmes/projects; and

(d) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) to (d) Yes, Sir. A loan of US $ 1 billion to strengthen the rural credit structure and to bring reforms in the cooperative sector was signed with Asian Development Bank on 11th December, 2006. The loan was declared effective on 21.2.2007. Andhra Pradesh is one of the State which is going to be benefited from the above amount. Based on the discussions held with the State Governments on the recommendations of the Vaidyanathan Committee report, Government had approved a revival package for revival of short term cooperative credit structure, subject to certain legal and institutional reforms to be initiated by State Government. The States willing to implement the package are required to sign a Memorandum of Understanding with Central Government and NABARD. No state specific programme has been prepared for implementation of the package.